The Deputy Director of Central Intelligence

Washington, D.C. 20505

April 12, 1988

The Honorable Lee H. Hamilton House of Representatives Washington, D.C. 20515

Dear Mr. Hamilton:

Enclosed is a copy of my speech on the Soviet Union we discussed last night. I hope you find it of some interest.

Again, appearing on the same platform with you last night was both a pleasure and an honor. While I regret the long drive roundtrip from Latrobe to Indiana, I greatly enjoyed the conversation and the company.

Regards,
Robert M. Gates

Enclosure:

As Stated

DDCI/RMGates:de (12 April 88)

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DALLAS COUNCIL ON WORLD AFFAIRS 19 JANUARY 1988

WHAT IS GOING ON IN THE SOVIET UNION
BY ROBERT M. GATES
DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE

INTRODUCTION

THE SELECTION OF MIKHAIL GORBACHEV AS GENERAL SECRETARY IN THE SPRING OF 1985 SIGNALED THE POLITBURO'S RECOGNITION THAT THE SOVIET UNION WAS IN DEEP TROUBLE — ESPECIALLY ECONOMICALLY AND SPIRITUALLY — TROUBLE THAT THEY RECOGNIZED WOULD SOON BEGIN TO HAVE REAL EFFECT ON MILITARY POWER AND THEIR POSITION IN THE WORLD. DESPITE ENORMOUS RAW ECONOMIC POWER AND RESOURCES, INCLUDING A \$2 TRILLION A YEAR GNP, THE SOVIET LEADERSHIP BY THE MID—1980S CONFRONTED A STEADILY WIDENING GAP WITH THE WEST AND JAPAN — ECONOMICALLY, TECHNOLOGICALLY AND IN VIRTUALLY ALL AREAS OF THE QUALITY OF LIFE.

AS A RESULT OF THESE TRENDS, THE POLITBURO RECOGNIZED THAT THE SOVIET UNION COULD NO LONGER RISK THE SUSPENDED ANIMATION OF THE BREZHNEV YEARS, AND COALESCED AROUND AN IMAGINATIVE AND VIGOROUS LEADER WHOM THEY HOPED COULD REVITALIZE THE COUNTRY WITHOUT ALTERING THE BASIC STRUCTURE OF THE SOVIET STATE OR COMMUNIST PARTY.